



CUPERTINO UNION SCHOOL DISTRICT

Report of the Surplus Facilities Advisory "7-11" Committee To the Board of Education

Recommendations and Priorities of Uses of District Sites

Committee Adoption: June 2, 2022

Board Consideration: June 9, 2022

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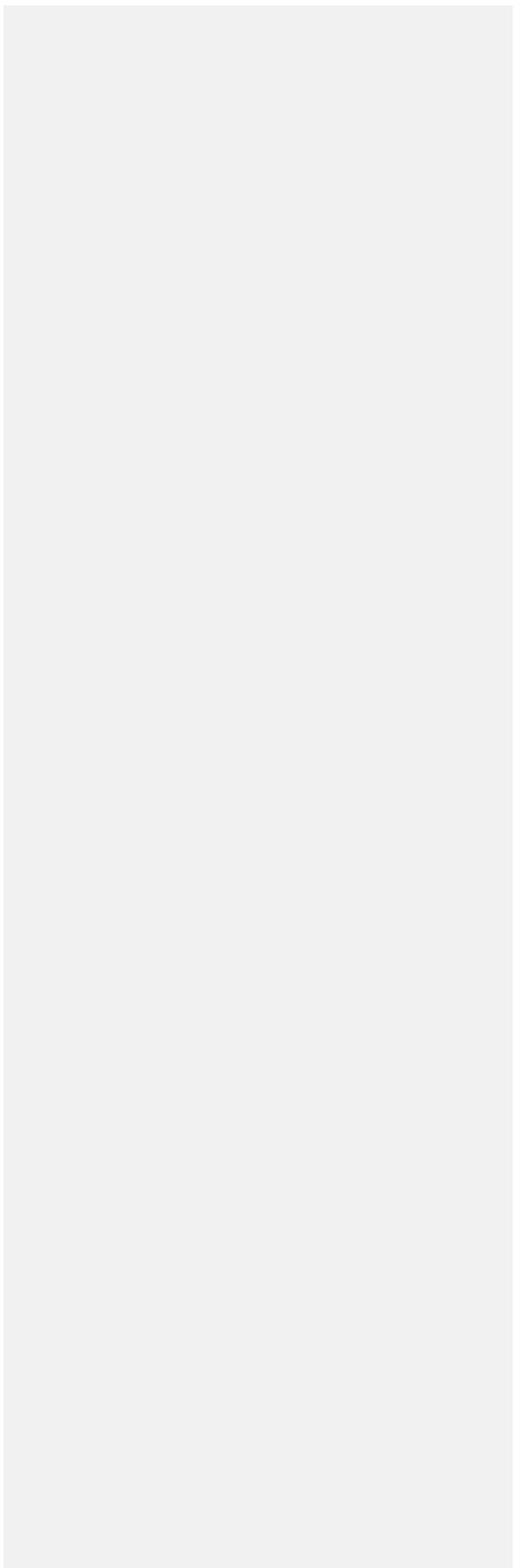


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I. Executive Summary

Before a school district can sell or lease real property, the Education Code requires that a specific process be followed. The first step requires that the governing board of the school district, prior to the sale, lease, or rental exceeding 30 days, appoint a district advisory committee (commonly known, and referred to from this point forward, as the 7-11 Committee) to advise the governing board regarding the surplus of space and/or real property. The responsibilities of the 7-11 Committee are also specified within the Education Code, and, at the conclusion of its work, the 7-11 Committee is required to provide the district governing board a report recommending use of surplus space and real property. The governing board, taking into consideration the 7-11 Committee's recommendations, which are advisory and nonbinding, determines whether it will declare some or all of the properties surplus and announce its intent to sell or lease the properties in question.

On October 28, 2021, the Cupertino Union School District ("District") Board of Education ("Board") decided to form a new 7-11 Committee consistent with the requirements of Education Code section 17387 et seq. A 7-11 committee contains between seven and eleven members representing various components of the District and community to provide recommendations to the Board concerning surplus District property. On January 13, 2022, the Board appointed the following persons to the Committee to meet the categories of community members required by the Education Code: Dean Tatsuno, Siddharth Jain, Richard Lowenthal, Randy Shingai, Mingrui Bao, Siew-Ming Tang, Kelly Crosby, Lili Le, Tammy Fox, Sharon Fong and Rajan Singh.

The 7-11 Committee held six public meetings to gather information on the properties and other relevant district data (e.g., District needs, District enrollment, facilities capacity, etc.) All meetings were held virtually, open to the public, noticed at least 72 hours in advance, and held in accordance with the Brown Act.

After extensive study of pertinent documents, receipt of public comment, and thoughtful deliberations, the 7-11 Committee recommends that the Board declare the following sites surplus to the District's educational needs, all as of June 30, 2022.

1. R. I. Meyerholz Elementary School, 6990 Melvin Drive, San Jose, CA 95129
2. William Regnart Elementary School, 1170 Yorkshire Drive, Cupertino, CA 95014
3. Montebello Property, 15101 Montebello Road, Cupertino, CA 95014

II. Purpose of the 7-11 Committee

The 7-11 Committee was formed as a way to secure community involvement in the District's planning process for the three sites. The 7-11 Committee was instructed to produce a recommendation as to how it might maximize the use of the Meyerholz, Regnart and Montebello sites to both serve the community and generate revenue for the District.

Commented [A1]: "recommendation within the bounds of the 7-11 mission" (or something like that, want to communicate that we were constrained by the mission)

III. 7-11 Committee Membership

The Board appointed the following persons to the 7-11 Committee to represent the categories indicated by each person's name:

MEMBER	SCHOOL AND/OR AFFILIATION	CATEGORIES REPRESENTED
Dean Tatsuno	Regnart/Kennedy	Representative of the ethnic, age group, or socio-economic composition of district. Business Community Landowner. Person with Expertise - Building Code and Facilities.
Siddharth Jain	Meyerholz	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. Parent of CUSD Student.
Richard Lowenthal	Regnart/Kennedy	Representative of the ethnic, age group, or socio-economic composition of district. Business Community. Landowner. Person with Expertise - City Council and CEEF Board Member.
Randy Shingai	Eisenhower/Hyde	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. Person with Expertise - Parcel Tax and Bond Oversight.
Mingrui Bao	Muir	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. Parent of CUSD Student. Person with Expertise - Treasurer for Muir PTA.
Siew-Ming Tang	Meyerholz	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. District Administrator.
Kelly Crosby	Regnart	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. Parent of CUSD Student. Person with Expertise – Commercial Property Expertise.
Lili Le	Dilworth	Representative of the ethnic, age group, or socio-economic composition of district. Parent of CUSD Student.
Tammy Fox	Lincoln	Representative of the ethnic, age group, or socio-economic composition of district. Teacher.
Sharon Fong	Muir/Miller	Representative of the ethnic, age group, or socio-economic composition of district. Landowner. Retired School Secretary.
Rajan Singh	Collins	Representative of the ethnic, age group, or socio-economic composition of district. Business Community. Landowner. Person with Expertise – Contracts.

The Board reviewed the Education Code requirements concerning the composition of the 7-11 Committee and determined that the 7-11 Committee represented a cross section of the community and met the requirements of Education Code section 17389.

IV. Description of Legal Process for School Surplus Property Disposition

Before District property can be marketed for private use or development, the Board must first determine that the property is surplus to the needs of the District, based upon the recommendation of a community advisory committee, in this case the 7-11 Committee. After the Board determines that property is surplus, the District can offer it to other public agencies for use as open space, recreational or park use, for development of low- and moderate-income housing, or for other uses. These offerings are a prerequisite to making the property available for sale, lease, or lease with option to purchase, through public bidding if the property is not conveyed to a public entity or non-profit corporation in response to the public offerings. Because the time within which to perform each step in this process is not limited by statute, the disposition process can be very lengthy.

V. Charge to the 7-11 Committee

Education Code section 17390 directs the 7-11 Committee to:

- A. Review projected school enrollment and other data to determine whether the property under consideration is surplus to the educational needs of the District;
- B. Establish a priority list of uses of the surplus property that will be acceptable to the community;
- C. Circulate throughout the attendance area a priority list of surplus property and provide for a public hearing for community input to the Committee regarding acceptable uses for the surplus space and real property, including the sale or lease of the surplus real property;
- D. Make a final determination of limits of tolerance of use of space and real property; and
- E. Make a report to the Board recommending uses of the surplus space and real property.

VI. Summary of the 7-11 Committee’s Work

The 7-11 Committee met six times and considered extensive information, including information concerning the District, its current and future needs, District past, current and future enrollment and District real property and other resources including community input. Community input was solicited and a public hearing was conducted at the 7-11 Committee’s May 3, 2022 meeting. In the service of their community and with the intention of making educated and informed decisions, 7-11 Committee members sought and received presentations from District staff, a representative of the District’s Citizens Advisory Committee, legal counsel and a real property advisor to the District.

Meeting agendas and minutes are included in Appendix A and, along with the presentations, are available on the Cupertino Union School District website at:

<https://www.cusdk8.org/departments/committees/public>

Meeting 1: January 18, 2022

- Purpose and Regulations of the 7-11 Committee.
- Duties of the 7-11 Committee.
- Mission of the 7-11 Committee and the expectation from the Board of Education. Establish a priority list of possible uses of the Meyerholz, Regnart, and Montebello properties to generate the property’s highest and best use value and with the stipulations that the Meyerholz and Regnart properties be lease and the Montebello property be sold or used in an exchange.
- Report from Citizen’s Advisory Committee.
- Review enrollment data.
- Review site map and school site facilities information for each location.

Meeting 2: February 8, 2022

- Discussion focused on questions posted in the 7-11 Committee Parking Lot.
- Legal definitions of surplus land and highest and best use.
- Legal process to declare surplus property.
- Discussion of District needs for District Office and Central Kitchen.
 - District Office approximately 20,000 sq. feet and 56 parking spaces
 - Central Kitchen

Meeting 3: March 8, 2022

- 7-11 Committee formally adopted Mission as is, with decision not to consider the sale of either Regnart or Meyerholz.
- Evaluation of existing site encumbrances for subject properties.
 - Regnart – City of Cupertino
 - Meyerholz – None
 - Montebello – None
- Further discussion regarding District need for District Office space and termination provision in Mary Street lease agreement.
- Review of zoning, General Plan designation and acceptable uses for sites.
 - Regnart property is zoned BA – Public Building
 - Meyerholz property is zoned R-1-8 Residential Housing
 - Montebello is zoned HS-d1-sr
- Discussion of community outreach and community engagement.

Meeting 4: April 5, 2022

- Review Zoning and Applicable Uses.
- Sample 7-11 Committee Recommendations and Reports.
- 7-11 Committee adopted motion to recommend District maintain current City of San Jose General Plan and City of Cupertino Zoning. The Regnart parcel is zoned BA-Public Building and the City of Cupertino Land Map designation is Public Facilities. The Meyerholz parcel is zoned R-1-8 – Residential Housing and the San Jose General Plan designation for the site is Public/Quasi-Public.

7-11 Committee adopted motion to recommend the District preserve school sites and any facility modifications for tenants are approved by District and Division of the State Architect (DSA) compliant.
- 7-11 Committee adopted motion to extend the time of the May 3, 2022 meeting by one hour in order to allow sufficient time for the public hearing and 7-11 Committee discussion regarding community guidance.

Meeting 5: May 3, 2022

- Public hearing.
- Discussion on Shaping the Recommendation to the Board.
- 7-11 Committee adopted motion to recommend use of surplus school sites (Meyerholz and Regnart specifically) for educational purposes including private schools that would have minimal effect on the District's enrollment. Any leases for the properties should include termination provisions in leases to provide District with flexibility to timely address future fluctuations in enrollment.
- 7-11 Committee adopted a motion to recommend Regnart and Meyerholz, with recommendation to lease out, be determined as surplus sites which will still allow District use if needed.
- 7-11 Committee adopted motion to recommend Montebello be determined as surplus site.
- 7-11 Committee adopted motion to recommend that the Meyerholz and Regnart properties not be used for residential purposes.
- 7-11 Committee adopted motion to recommend the District move the District Office functions to a District site.
- 7-11 Committee adopted motion to recommend District consider exchange for Montebello if it can generate greater overall recurring revenues for the District.
- 7-11 Committee adopted motion to extend the May 24 meeting to 6 pm - 9 pm.

Meeting 6: May 24, 2022

- Continue to Draft 7-11 Committee Report.
- Approve 7-11 Committee Report.

In summary, the 7-11 Committee met on January 18, 2022, February 8, 2022, March 8, 2022, April 5, 2022, May 3, 2022, and May 23, 2022. On May 3, 2022, the Committee held a public hearing. On May 24, 2022, the Committee met to vote on finalizing and approving the Report.

VII. Property Descriptions

The following provides an overview of each of the three properties considered by the 7-11 Committee. Each description provides:

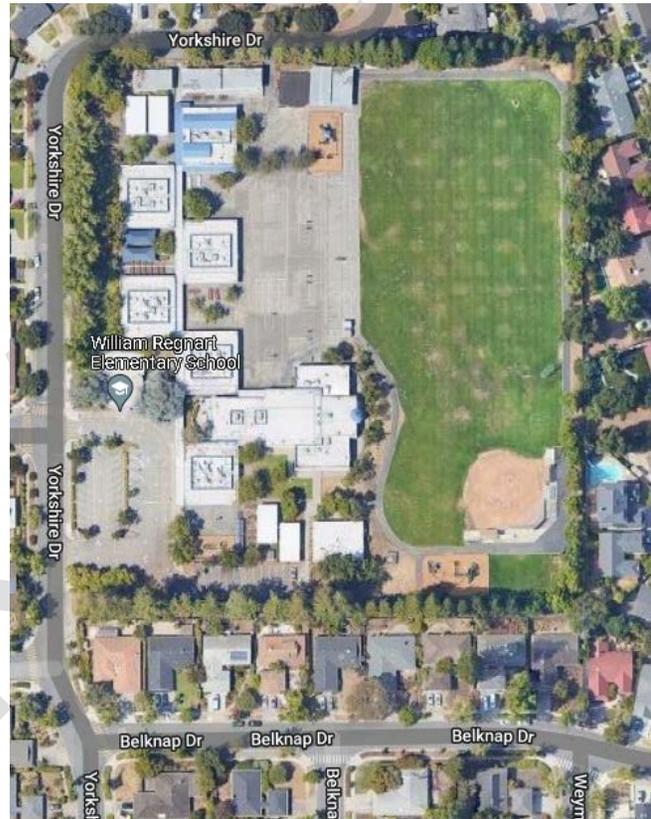
1. Location: the property's address
2. Assessor Parcel Number (APN): the number assigned to the parcel by the county assessor
3. Current use: current use of the site

4. Size: site acreage
5. Zoning: specifies how and for what purposes each parcel of land may be used
6. Property Description: brief description of the property
7. Site Encumbrances: brief description of the encumbrances, if any
8. Committee Recommendations: 7-11 Committee's recommendation
9. Priority Uses: 7-11 Committee established priority uses, if any

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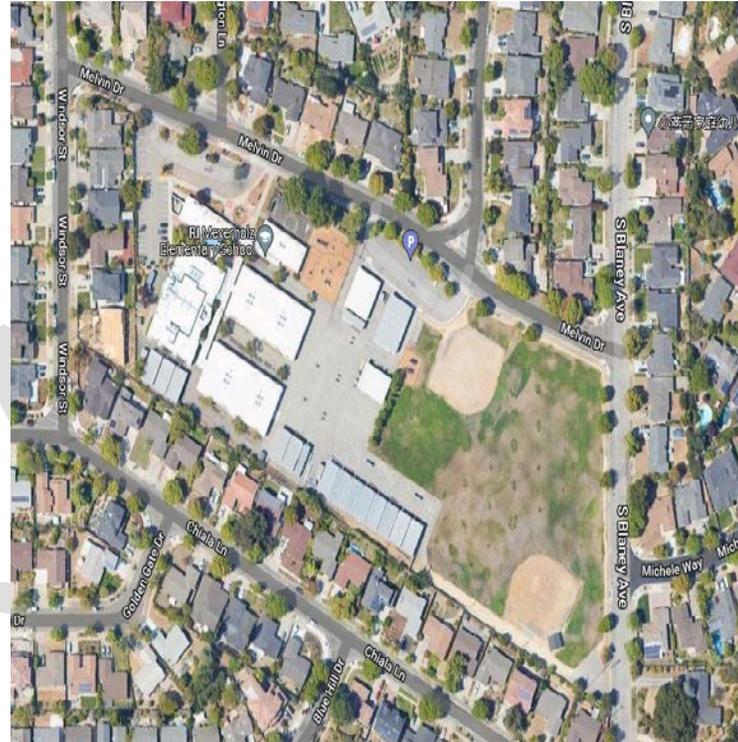
Regnard Elementary School

1. **Location:** 1170 Yorkshire Drive
2. **Assessor Parcel Number (APN):** 362-08-001
3. **Current use:** School
4. **Size:** Approx. 9.4 acres
5. **Zoning:** BA – Public Building
6. **Property Description:** School site surrounded by residential development on all four sides.
7. **Site Encumbrances:** City of Cupertino Maintenance and Improvements Agreement Regarding Certain Open Space Areas.
8. **Committee Recommendations:** 7-11 Committee recommends that the site be declared as surplus.
9. **Priority Uses:** 7-11 Committee established priority uses, if any



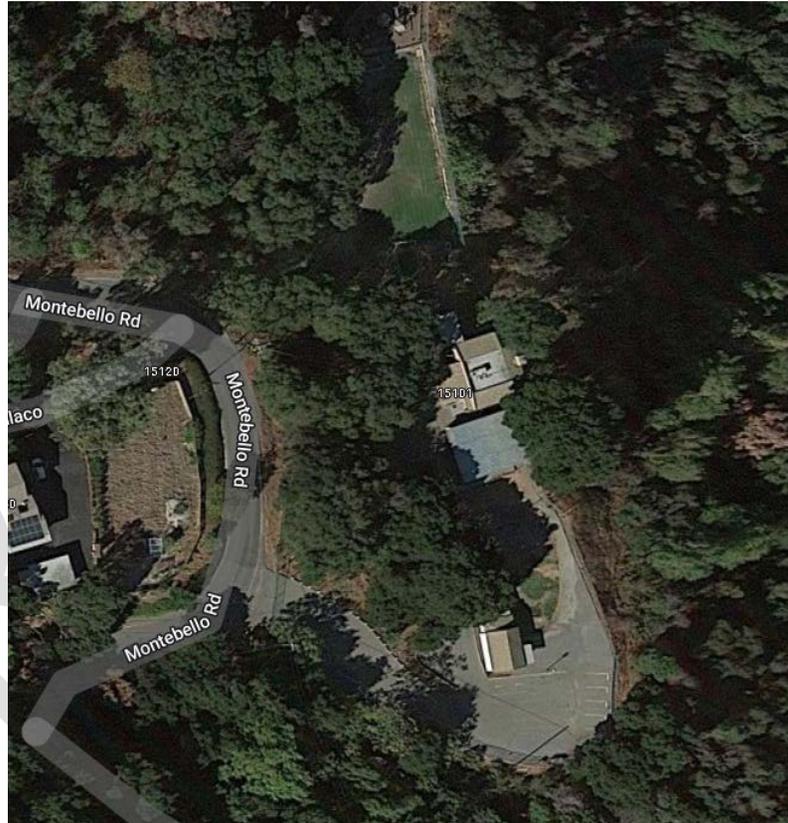
Meyerholz Elementary School

1. **Location:** 6990 Melvin Drive, San Jose
2. **Assessor Parcel Number (APN):** 372-05-001
3. **Current use:** School
4. **Size:** Approx. 10 acres
5. **Zoning:** R-1-8 – Residential Housing
6. **Property Description:** School site surrounded by residential development on all four sides.
7. **Site Encumbrances:** None
8. **Committee Recommendations:** 7-11 Committee recommends that the site be declared as surplus.
9. **Priority Uses:** 7-11 Committee established priority uses, if any



Montebello Property

1. **Location:** 15101 Montebello Road, Cupertino
2. **Assessor Parcel Number (APN):** 351-24-011
3. **Current use:** Vacant
4. **Size:** 3.4 acres
5. **Zoning:** HS-d1-sr
6. **Property Description:** One room schoolhouse with playground and portables structures completely surrounded by hillside vegetation.
7. **Site Encumbrances:** None. However, the Montebello School has a landmark designation.
8. **Committee Recommendations:** 7-11 Committee recommends that the site be declared as surplus.
9. **Priority Uses:** N/A



VIII. Legal Definitions Informing the 7-11 Committee's Work

Surplus Land

Means land owned in fee simple by any local agency for which the local agency's government body takes formal action in a regular public meeting declaring that the land is surplus and not necessary for the agency's use. (Education Code § 54221(b)(1).)

Highest/Best Use

The highest and best use is the most profitable legally permissible use for which the property is physically, geographically, and economically adaptable. (*County of San Diego v. Rancho Vista Del Mar, Inc.* (1993) 16 Cal. App. 4th 1289, 1288.)

The highest and best use is defined as that use, among possible alternative uses, that is physically practical, legally permissible, market supportable, and most economically feasible...The appraiser must make a determination of highest and best use as part of the appraisal process. (*San Diego Gas & Electric Co. v. Schmidt* (2014) 288 Cal. App. 4th 1046, 1058.)

IX. Policy Considerations Guiding 7-11 Committee's Work

Future use of the Meyerholz and Regnart properties should remain within the community sphere and the 7-11 Committee's recommendations are intended to facilitate uses that will benefit the District's community.

Preserving the existing facilities at the Meyerholz and Regnart sites is desirable because doing so helps to ensure that the District retains the ability and flexibility to revert the sites back to schools to timely meet future District needs.

Maintaining the ability to repurpose both the Meyerholz and Regnart properties as school sites if necessary is a significant value to the community and doing so precludes the approval of any usages which would require the demolition of the existing facilities. It also requires a commitment to ensure that any modifications and/or alternations to the Meyerholz and Regnart facilities remain Division of the State Architect compliant.

X. Method of Public Notification of the 7-11 Committee Hearing

The 7-11 Committee held a public hearing for community input concerning its findings and recommendations on May 3, 2022. The minutes of that hearing are included in Appendix A. The public was notified of that hearing by posting a notice of the hearing at the following locations at least 72 hours before the meeting:

- On 4/20 San Jose Post Record posted notice regarding the Public Hearing.
- On 4/22 Cupertino Courier posted notice regarding the Public Hearing.
- On 4/25 the Surplus Property 7-11 Committee Meeting for May was one of the featured items on the District's website homepage.
- On 4/25 an email went out via Parent Square to all Community Members as well as the District's Community.
- On 4/25 Social Media posts hit our Facebook, Instagram, and Twitter accounts.

The public was also notified by posting a notice to the District Website at: <https://www.cusdk8.org/departments/committees/public>, by sending electronically at least 72 hours before the meeting to the following persons: 7-11 Committee Members, all District Board of Education members and all persons who have requested written notice of Board meetings, and by announcing the public hearing at the April 28, 2022, District Board meeting.

At its meeting on May 24, 2022, the 7-11 Committee considered whether to approve the draft Report with or without amendments and voted to approve the Report in the form provided to the Board.

XI. 7-11 Committee Findings and Recommendations to the Cupertino Union School District Board of Education

A. 7-11 Committee Findings

1. The 7-11 Committee finds that the Montebello parcel could be disposed of without significantly impacting District functions and that the District can pursue sale or lease with option to purchase of this parcel for uses consistent with applicable zoning without impacting District functions.
2. The 7-11 Committee finds that the Meyerholz and Regnart parcels should not be disposed of at this time and that the District can pursue the leasing of these parcels for uses consistent with applicable zoning without impacting District functions.

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B. Committee Recommendations

The District Surplus Facilities Advisory "7-11" Committee hereby recommends the following to the District Board of Education:

1. Meyerholz and Regnart properties should be used for educational purposes, which can include leasing the campuses to private schools.
2. Any leasing of the Meyerholz and Regnart properties to private school should programs that would minimize the effect on the District's enrollment.
3. Any leases for the Meyerholz and Regnart properties should include early termination provisions to provide the District to with flexibility to timely adapt to fluctuations in future enrollment.
4. The Meyerholz and Regnart properties should not be used for residential purposes.
5. The District Office functions/operation should move to a District site.
6. District should consider exchange of Montebello property if it can generate greater overall income recurring revenues for the District.

The members of the 7-11 Committee have appreciated the opportunity to serve the District and the Cupertino Union School District community in this important activity. At the forefront of the task was to develop a recommendation that would be in the best interest of the children of Cupertino Union School District for generations to come.

Respectfully submitted,

Richard Lowenthal, Chair
District Surplus Facilities Advisory Committee

- Appendix A: Meeting Agendas and Minutes
- Appendix B: Current Enrollments
- Appendix C: Photographs and Depictions of Properties
- Appendix D: Documents Available to and Evaluated by the 7-11 Committee
- Appendix E: Presentations to 7-11 Committee

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Appendix A – Meeting Agendas and Minutes

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Appendix B – Current and Projected Enrollments

Current Elementary School Enrollment

School	TK	K	1	2	3	4	5	6	7	8	Total	SDC	Grand Total
Blue Hills	23	42	46	41	48	40	44				284	0	284
Collins		61	68	81	85	86	100				481	13	494
DeVargas	21	72	46	43	52	58	52				344	10	354
Dilworth		24	24	44	58	64	58				272	22	294
Eaton		67	58	71	75	59	66				396	15	411
Eisenhower	14	52	74	63	68	72	81				424	17	441
Faria		95	96	117	120	111	108				647		647
Garden Gate	23	71	66	79	89	86	83				497		497
Lincoln	16	52	81	75	69	79	106				478	13	491
McAuliffe		56	44	67	52	50	54	25	23	23	394		394
Meyerholz		33	30	36	40	52	55				246	16	262
CLIP		72	72	72	72	72	72				432		432
Montclair	17	56	54	70	64	61	61				383		383
Muir	20	24	23	24	46	50	48				235		235
Murdock-Portal		94	95	95	96	93	88				561		561
Nimitz	15	63	50	82	60	72	75				417		417
Regnart		30	47	48	50	44	64				283	22	305
Sedgwick		59	64	58	78	87	95				441		441
Stevens Creek	16	54	39	55	64	61	72				361	26	387
Stockmeir	22	145	153	149	126	141	130				866		866
West Valley		42	54	59	69	64	75				363		363
Total Elementary Schools	187	1264	1284	1429	1481	1502	1587	25	23	23	8805	154	8959



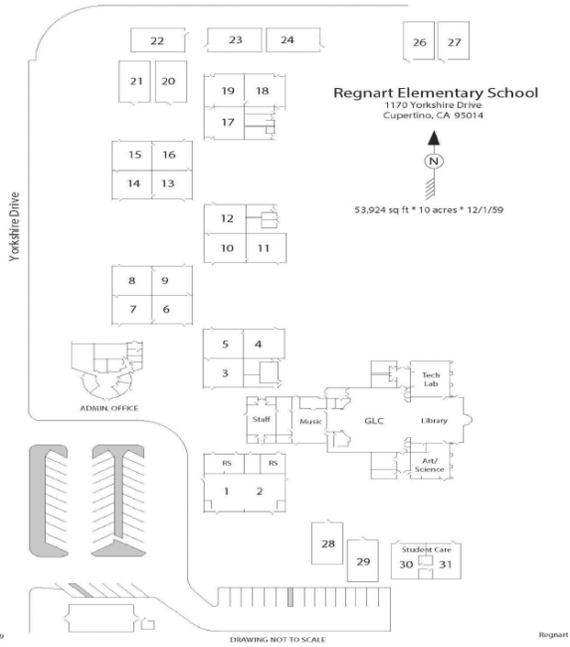
Elementary Enrollment Projections 2023-2024

School	TK	K	1	2	3	4	5	Total	SDC	Total
Blue Hills	24	45	54	69	60	72	54	378		378
Collins		56	63	67	83	88	86	443		443
DeVargas	24	72	73	50	49	53	61	382		382
Dilworth		80	71	67	99	137	149	603		603
Eaton	24	67	79	67	76	86	75	474		474
Eisenhower	24	52	50	75	65	66	74	406		406
Garden Gate	24	70	72	66	76	94	89	491		491
Lincoln	24	75	79	110	110	118	121	637		637
Montclair	24	57	57	55	70	64	62	389		389
Nimitz	24	65	70	51	83	62	72	427		427
Sedgwick		55	60	66	61	80	89	411		411
Stevens Creek	24	54	57	43	56	67	67	368		368
Stockmeir	24	143	143	153	151	127	138	879		879
West Valley		41	45	55	60	69	65	335		335
Totals	240	932	973	994	1099	1183	1202	6623	0	6623
Portal		96	96	96	96	120	120	624		624
McAuliffe		56	44	67	52	50	54	323		323
CLIP		96	96	72	72	66	66	468		468
Faria		96	96	96	120	120	120	648		648
Totals	344	332	331	340	356	360	2063	2063		10749

Appendix C – Photographs and Depictions of Properties



Regnart Elementary School

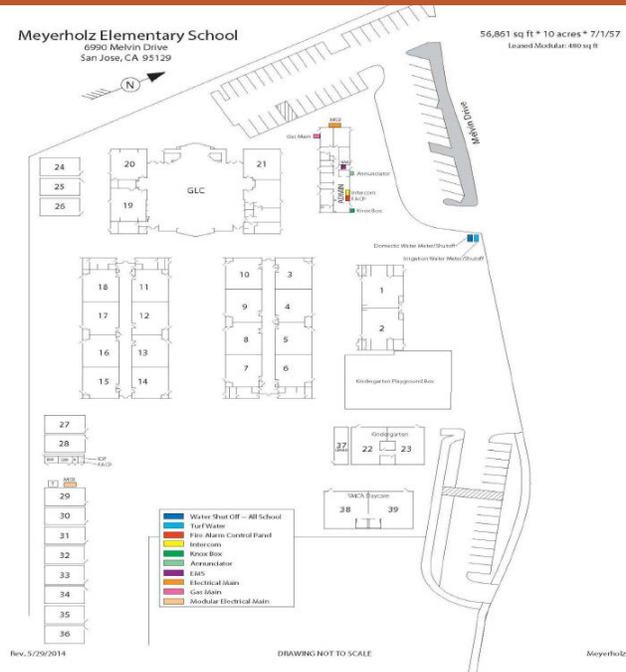




Meyerholz Elementary School

Meyerholz Elementary School
 6595 Melvin Drive
 San Jose, CA 95129

56,861 sq ft * 10 acres * 7/1/57
 Leased Module: 480 sq ft





Montebello Elementary School



Montebello Elementary School



Montebello Elementary School

Appendix D – Documents Available to and Evaluated by the 7-11 Committee

Surplus Property 7-11 Committee Documents

A link to all of the documents made available to the 7-11 Committee follows:

[https://cupertinounionsd.govqa.us/WEBAPP/rs/\(S\(gdaylh0o1z3sygnjwyu23lmx\)\)/BusinessDisplay.aspx?sSessionID=&did=3&cat=0](https://cupertinounionsd.govqa.us/WEBAPP/rs/(S(gdaylh0o1z3sygnjwyu23lmx))/BusinessDisplay.aspx?sSessionID=&did=3&cat=0)

The following categories of records are available via the above link.

1. CAC Documents
 - a. Documents related to past CAC
2. Facilities Information
 - a. Information related to CUSD Facilities
3. Enrollment Information
 - a. Information related to CUSD Enrollment
4. Meyerholz Information
 - a. Information related to Meyerholz Elementary School
5. Montebello Information
 - a. Information related to Montebello Property
6. Regnart Information
 - a. Information related to Regnart Elementary School
7. Sample Board Recommendations
 - a. Sample Board Recommendations from other 7-11 Committee
8. Correspondence with the Committee
 - a. Correspondence with Committee

Appendix E – Presentations to the 7-11 Committee

Presentations to Surplus Property 7-11 Committee

A link to all of the presentations made to the 7-11 Committee can be found under the Meeting Information tab which is accesible from the follwing link:

<https://www.cusdk8.org/departments/committees/public>

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